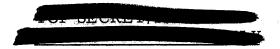
MEMORANDUM

THE WHITE HOUSE

WASHINGTON



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EXEMPTION CATEGORY 56 (13)
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MEMORANDUM OF CONVERSATION

PARTICIPANTS:

Ambassador T.N. Kaul of India

Dr. Henry A. Kissinger, Assistant to the President for National Security Affairs

Peter W. Rodman, NSC Staff

DATE AND TIME:

State of the second

Wednesday, August 15, 1973

1:15 - 2:30 p. m.

PLACE:

The Map Room

The White House

<u>Dr. Kissinger:</u> Why didn't you bring your colleague? You should always assume he can come. Whenever there is a bureaucratic blunder, it is almost always unintentional. [laughter] There was a time, almost two years ago, when it would have been intentional.

Ambassador Kaul: We were given an aide memoire by Moynihan and I'm told by Sisco you want a reply.

Dr. Kissinger: What does it say?

Ambassador Kaul: "The U.S. appreciates the desire of India to reach zero aid by 1980." Broad hints were made that we should request that we want American aid and that nothing can be done until we reply.

Dr. Kissinger: It was a signed aide memoire?

Ambassador Kaul: No.

<u>Dr. Kissinger</u>: If we don't have a bigger issue between us, I'm not worried. I frankly don't give a damn whether you give us a written document. Do you want me to call Sisco?

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Ambassador Kaul: No.

Dr. Kissinger: Why has God punished me by putting Sisco in charge of all the difficult areas?

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Ambassador Kaul: I once asked him that. I told him it was strange to have all these areas together. He has no one working on India who served in India.

<u>Dr. Kissinger:</u> Really? But State was on your side in 1971. I was tilting, and Jha and State were both against me. [laughter] Seriously, you know what our strategy was.

Ambassador Kaul: Jha told me it was he and you against State.

Dr. Kissinger: I'm told the Bangladesh situation is bad now. Is that true?

Ambassador Kaul: Not really. They are getting some wheat now from the Soviet Union.

Dr. Kissinger: Because it's very much in our interest....

Ambassador Kaul: I had a talk with Maury Williams on this.

Our Finance Secretary, my namesake, M.G. Kaul, wanted to meet you. I wanted to bring him here but I was told, lunch for two. So he is lunching with Maury Williams today.

Dr. Kissinger: That is inexcusable. He can stop by. I have a meeting at three, but he can come by at a quarter to three.

[Dr. Kissinger calls his office to set up the appointment.]

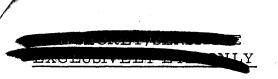
Ambassador Kaul: Thank you very much.

<u>Dr. Kissinger:</u> Why don't we just establish the principle that if an Indian comes that you think is sufficiently important for Indian-American relations, you can assume it will be done.

Ambassador Kaul: I make it a practice whenever someone goes from here, to tell Delhi that he should be received by the Prime Minister of Foreign Secretary.

Dr. Kissinger: Peter, make sure Campbell knows.





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Ambassador Kaul: Any tips on Los Angeles or San Francisco? I will be out there the 19th, or the 20th.

Dr. Kissinger: I'll be out there the evening of the 20th. Call me Friday from out there.

Ambassador Kaul: I'm told the West Coast is more interested in trade, Southeast Asia, the Far East, and China and Japan.

<u>Dr. Kissinger:</u> They are more interested in China and Japan. I don't know what you feel about Indian-American relations, that they are improving; But that would be an important thing to say.

Ambassador Kaul: What is the difference between Los Angeles and San Francisco?

Dr. Kissinger: When you get there, San Francisco seems more cosmopolitan.

[Dr. Kissinger takes a phone call from Ambassador Scali on the UN Security Council vote on the Israeli hijacking.]

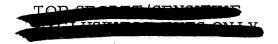
Ambassador Kaul: Not a dull moment.

How does this Middle East situation look? Do you hope for a breakthrough anywhere?

Dr. Kissinger: I think the Israelis can see no situation as good for them as what they have got. They are being asked to withdraw in exchange for a formal peace. And if there is a formal peace, the governments that make it won't last long. It is historically novel. Usually wars start between countries that are at peace! Only in the Middle East do wars start between countries that are already at war! India and Pakistan are at peace formally, but there have been two wars in a decade. The Arabs are not making policy but waiting for a miracle.

Ambassador Kaul: Joe thought that after the November election in Israel, there might be a possibility, and some light at the end of the tunnel.

Dr. Kissinger: Both have to show more flexibility. Israel has to. Joe always has been more optimistic than I.





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Ambassador Kaul: We have been in touch with Egypt and Israel.

Dr. Kissinger: On this Lebanon thing?

Ambassador Kaul: No, generally. We find that Egypt may perhaps come to a more reasonable frame of mind if there were some gesture by Israel. But we are not in contact with Israel at a high enough level to really know.

<u>Dr. Kissinger:</u> We're prepared to use our influence with Israel if there is some movement by the Egyptians. But to ask total withdrawal as an entrance price for a negotiation, won't work. I know the Egyptian problem -- they are afraid that any new line they agree to will be a final line. But now the Canal will be the final line.

Ambassador Kaul: Perhaps Egypt could save their face if Israel made some move.

Dr. Kissinger: We were asked about Vietnam the question which we are now asked about Israel: Were we prepared to use our influence? We were, as soon as we had a proposition we could use our influence on. Then we moved fast.

Ambassador Kaul: How did the Shah's visit go? Did you try that on him?

Dr. Kissinger: The proposal for restraint in arms shipments, accompanied by guarantees?

Ambassador Kaul: Yes.

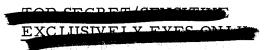
Dr. Kissinger: He said if India would accept restraint on its armaments shipments, he would be interested.

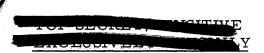
Ambassador Kaul: Shipments from where?

Dr. Kissinger: From the Soviet Union. You don't get many from the West.

Ambassador Kaul: Is there any assurance he wouldn't give those arms to Pakistan?

Dr. Kissinger: I had the impression that if there were a war between India and Pakistan, he would give them, particularly is it's a war of aggression





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against Pakistan. If there is no war, I think he thinks it would be better if the arms were kept in reserve in Iran.

Ambassador Kaul: It depends on who's the aggressor. It is difficult to determine. The Shah thought India was the aggressor in 1971. It is not true, really; Pakistan declared war on us on December 4 following a blitzkrieg on December 3. Fortunately, Yahya had given us ten days notice in a drunken interview with an American correspondent. He said he'd be at war in ten days. So they never got any of our planes.

Dr. Kissinger: It seems to me that an attack by Pakistan on India would be so crazy, given the balance of forces, that it is not a likely possibility. A more likely scenario would be an upheaval in Pushtunistan or Baluchistan.

Ambassador Kaul: I agree with you -- it would be suicidal. But you know what a defeated army is like.

Dr. Kissinger: Our intelligence tells us your army and equipment are really quite good.

Ambassador Kaul: Your intelligence is wrong, quite frankly.

Dr. Kissinger: If is highly unlikely that the F-4s will go to Pakistan. They are highly technical equipment and need trained pilots.

Ambassador Kaul: But they have joint exercises, common training programs. It don't know what the Shah gains by antagonizing India. Our Foreign Minister went there to reassure him.

Dr. Kissinger: I don't have the impression that he wants to do that [antagonize India.]. He fears an Indian attack on Pakistan.

Ambassador Kaul: Why would we do that?

Dr. Kissinger: He thinks about Baluchistan.

Ambassador Kaul: We have no interest in that. We want a general, peaceful, stable subcontinent.

Dr. Kissinger: He is not consciously anti-India. He is sincerely worried about a weakened Pakistan. If you can reassure him on this. You can be sure of our good will on this.

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Ambassador Kaul: He talks about our friendship with Iraq. But we buy oil from Iraq, Iran, and Saudi Arabia.

<u>Dr. Kissinger:</u> He says you sent a training mission to Iraq. He is worried about your naval buildup, your ties with Iraq, and a common Afghan-Indian move on Pushtunistan and Baluchistan.

Ambassador Kaul: We recognize Pushtunistan as a part of Pakistan. We think the Soviet Union has the same view, as they tell us.

Dr. Kissinger: To us too.

Ambassador Kaul: They make this statement for the record. We have no such intention.

<u>Dr. Kissinger:</u> That is my impression of the Shah's impression. I don't think this is beyond the power of your government to reassure him. He told us his Foreign Minister asked you if, before a war started, you could consult. It was significant that he told this to us.

Ambassador Kaul: What about the idea that we could all guarantee the territorial integrity and sovereignty of states in the area?

Dr. Kissinger: I mentioned it to him. He thought it was okay as long as it is not linked to any Soviet Asian security scheme.

Ambassador Kaul: No, it would be just the four. I told the Russians that such an idea is better if it came from inside the region instead of outside.

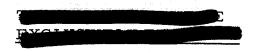
Dr. Kissinger: Of course, the Chinese are most sensitive on this score.

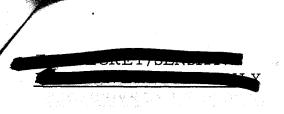
Ambassador Kaul: It is ironic. The Chinese in the 1950s had the idea of an Asian security scheme.

Dr. Kissinger: Did you see that Neville Maxwell running am und the border?

Ambassador Kaul: He is a turncoat. When he was in India he was pro-Indian.

Haksar led our delegation to Pakistan. They have agreed to meet in Delhi on the 18th. Shahi tried to create trouble, but Aziz straightened it out.





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We feel the meeting on the 18th is an opportunity. Progress has already been made on a package deal of simultaneous exchanges of all nationals stranded, plus returning all the POWs except the 195 that Bangladesh wants to try; and Pakistan wants to keep 203 they accuse of treason. If the rest is accepted, it would create the atmosphere for a solution.

<u>Dr. Kissinger:</u> I think it would be a favorable development. I have the impression that the Chinese attitude would be favorable after that.

Ambassador Kaul: Bhutto will be here.

<u>Dr. Kissinger:</u> We favor a solution of the prisoner issue, after which they can recognize Bangladesh, especially is a way can be found to avoid actual trials. Where are these prisoners now?

Ambassador Kaul: Still in India.

Dr. Kissinger: The idea would be to turn them over to Bangladesh.

Ambassador Kaul: If they agree to no trials, we could turn them over to Pakistan.

Why not leave these 195 and 203 aside and agree on the rest?

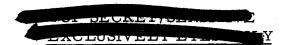
Dr. Kissinger: I had the impression -- I talked briefly to the Pakistani Ambassador today on the Bhutto visit -- they thought progress was being made. But I could easily ask more specifically.

We will do nothing to provoke you -- I can tell you that now --during his visit here. There won't be any arms deliveries agreed to.

Ambassador Kaul: I wanted to tell you that -- that any new arms would be an unhealthy development.

Dr. Kissinger: There will be no arms decision, barring a drastic change in our relations. But that would mean the case of another war.

Ambassador Kaul: Our impression is that there is a drastic improvement in our relations. The Prime Minister, the Foreign Secretary, Minister Chavan -- they all want to improve our relations.





<u>Dr. Kissinger:</u> We were impressed with the Prime Minister's efforts to dampen criticism of us during the Cambodian bombing, within the Congress Party.

Ambassador Kaul: Your State Department has too much of a tendency to take seriously what these various politicians say.

Dr. Kissinger: I'll get word to Pakistan on the negotiations, and will tell them we favor a good outcome.

Ambassador Kaul: On the 195, if these can be frozen and the rest can proceed -- the Bengalis in Pakistan and the Pakistanis in Bangladesh -- the atmosphere will be better.

Dr. Kissinger: Do you think there might be an actual settlement on the 18th?

Ambassador Kaul: Providing Bhutto doesn't change his mind. It would be in his interest. It would make a good impression for his visit here. But he is a most unpredictable politician. I asked him at Simla, which is more important, withdrawal or prisoners? He said, both.

Now the situation is different. It can be done, if he authorizes Aziz Ahmed to settle it. And in Rawalpindi he was positive.

Dr. Kissinger: I have the impression that they want a settlement. Of course, it is these war crimes trials that are the hang-up.

I may drop by the Pakistani Embassy today. They have some sort of national day.

Ambassador Kaul: We do too, from 6:00 to 8:00. It is actually just an internal occasion, for ourselves, and friends of India.

Dr. Kissinger: Does that includeme? [laughter] Can I drop by both? If I go to one I'll go to both.

Ambassador Kaul: I think a hint from you will do the trick.

Dr. Kissinger: I'll talk to the Ambassador this evening and get some word back to you.

Is your Foreign Minister coming to the UN?





Ambassador Kaul: Yes, he will be in New York on the 25th of September. I am planning to go home for a brief visit, from the 29th of August until' the 13th of September. Before that, I will be in Los Angeles and San Francisco. I would like to meet the President, if that is possible.

<u>Dr. Kissinger:</u> [to Mr. Rodman:] Let's see if we can get an appointment next Tuesday in San Clemente.

Ambassador Kaul: Then I could have something to tell the Prime Minister. On the rupees, my namesake says we are ready to settle in a week or ten days, if you are.

Dr. Kissinger: On what terms?

Ambassador Kaul: I think there are no sharp differences.

Dr. Kissinger: Then what is holding it up?

Ambassador Kaul: He wanted the convertibility increased from two percent up to five percent. He has already agreed to three and one half percent; I think it will come up. The second point, there should be some reservation for a small third country like Nepal.

I hope it won't have to go back to Congress. He said it might.

If that is out of the way, we can talk about economic relations.

Dr. Kissinger: Our people have the impression that you're no longer interested in the Economic Commission.

Ambassador Kaul: I don't know who has given you that impression. Once PL 480 is out of the way and we can set up commissions on trade and aid, these groups would form the nucleus of a new Commission. But your people raise the problem of settling with the non-consortium members on rescheduling. This is a balance of payments problem for us -- because with them we have special arrangements.

I am told State's young bureaucrats are dragging their feet.

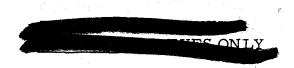
Dr. Kissinger: I looked into that. I have the impression that it will be solved.

Ambassador Kaul: Yes, because the British, Australia, Canada, all told us they have no objection. It is holding up a number of projects with the World Bank.

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We would like that cleared up, the rupees cleared up, and something about economic aid -- or "economic cooperation" as we call it -- and then we can discuss the Economic Commission. Who gave you that impression?

<u>Dr. Kissinger</u>: I think Moynihan. You know, if she wants to send someone over here, we can do that. Though I am happy to talk with you.

Maybe, as you suggest, I could stop in Delhi.

Ambassador Kaul: When is that? When do you go to Peking?

Dr. Kissinger: I don't know. It depends on Cambodia.

Ambassador Kaul: You will be most welcome.

Dr. Kissinger: I am not sure I should connect it with that trip or some other trip in the area. I appreciate your invitation.

Ambassador Kaul: Please don't have the impression that we are not interested in it.

<u>Dr. Kissinger:</u> On the rupees, I didn't know how far we were. On the debt rescheduling, we can let the bureaucrats fight a little longer. On e conomic aid, or cooperation, I think that will come along. Then everything else will come along.

Ambassador Kaul: I agree. It will all be okay by the end of the year.

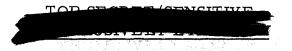
Dr. Kissinger: I agree. Debt rescheduling comes up soon, doesn't it? It always works out.

Ambassador Kaul: I don't know why this hardening of your position.

Dr. Kissinger: I will take another look at it.

Ambassador Kaul: Is there anything we can do on Cambodia?

<u>Dr. Kissinger:</u> On Cambodia, the Congress has more or less taken it out of our hands. We would like it as painless a transition as possible. Something on the Laotian model, perhaps with Sihanouk. Though we have no particular interest in Sihanouk. In Vietnam, things look fainly stable given





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Vietnamese conditions. Do you have any contact with what we call the Khmer insurgents?

Ambassador Kaul: We have some contact in Peking, and in Moscow.

<u>Dr. Kissinger:</u> To the extent you could contribute to a stable situation, it would be appreciated. Of course our interest, as yours, is to have a Cambodia that is neutral and free of outside interference.

Ambassador Kaul: Is there any chance the halt to the bombing will induce the North Vietnamese to leave?

<u>Dr. Kissinger:</u> I don't have the impression that the North Vietnamese give much in return for already-given concessions.

Ambassador Kaul: Our Ambassador in Hanoi has the impression that they would like to develop better relations with the U.S. They are not too eager for Chinese influence in Cambodia.

<u>Dr. Kissinger:</u> That is our impression. We have no organic interest either in China. But if the North Vietnamese keep pressing, we would have no choice but to look around. So if the North Vietnamese contribute to a restrained policy, it would be noted. And we would be prepared -- if your Ambassador wants to give them your impression -- to normalize relations.

Ambassador Kaul: How will your military supplies to Phnom Penh affect this?

<u>Dr. Kissinger:</u> We are prepared to stop military supplies to Phnom Penh if they are prepared to stop military supplies.

Ambassador Kaul: I hope there is no dangerous incident there, with your planes being shot at.

Dr. Kissinger: You will call me on Friday?

Ambassador Kaul: Yes.

